

Labour Market Notes

Alberta leads the provinces in job growth

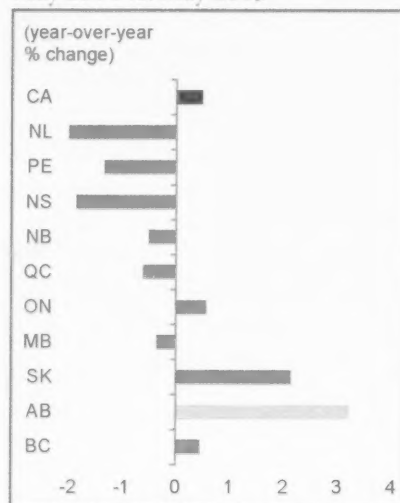
Alberta

- Job growth surges. Alberta employment jumped by 16,400 in May, more than offsetting the minor job losses in the previous two months. This was the highest monthly gain across all the provinces.
- New positions are full-time and mostly private sector jobs. The increase was in the private sector (+30,500) and, to a lesser extent, in the public sector (+800). Self-employment dropped by 14,900 jobs. Employment in full-time positions jumped by 19,200, more than offsetting a fall in part-time employment (-2,800). May's full-time job gain recovered most of the 23,300 full-time jobs lost in April.
- Year-over-year job growth leads all provinces. Since May 2013, Alberta has added 71,200 jobs (+3.2%), accounting for a remarkable 83.3% of all jobs created in Canada over this period.
- Unemployment rate edges down. Alberta's unemployment rate decreased by 0.1 percentage point to 4.6% in May, following a 0.2 percentage point decrease in April. The decline was the result of a greater number of jobs created than the number of individuals entering the labour force (12,900).
- Service industries add more jobs. The service-producing sector continues to add jobs (+26,400), led by trade (+23,100), and transportation and warehousing (+6,400). Conversely, the goods-producing sector lost 10,000 jobs in May, with only agriculture (+4,800) and manufacturing (+2,000) posting positive gains. Employment in forestry, fishing, mining, and oil and gas fell by 7,100.
- Weekly earnings growth picks up. Average weekly earnings rose to \$1,147 in March, a 4.9% year-over-year increase. First quarter earnings jumped to \$1,134, a 4.1% increase from the same quarter last year.

Canada

- Canada job gains buoyed by service industries, part-time positions. Employment grew by 25,800 jobs in May, reversing most of April's 28,900 loss. However, all the increases came from part-time employment (+54,900). The service-producing sector added 35,100 jobs, aided by the large gains in educational services, accommodation and food services, and trade. Over the past 12 months, Canada has added 85,500 jobs, amounting to only 0.5% growth.
- Unemployment rate ticks up. The Canadian unemployment rate was 7.0% in May, up 0.1 percentage point from April as more people joined the labour force than jobs created.
- Average earnings rise. Canadian average weekly earnings were \$933 in March, a 0.7% increase over February and 3.1% higher than March 2013. First quarter average earnings were \$927, up 2.8% from the first quarter of 2013.

Employment Growth by Province,
May 2014 vs. May 2013



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,274,700
month over month change	+16,400
year-over-year % change	3.2%
Alberta Unemployment Rate (UR)	4.6%
Edmonton UR**	5.2%
Calgary UR**	5.4%
Participation Rate	73.0%
Average Weekly Earnings (AWE)	\$1,147.14
year-over-year % change	4.9%
Average Hourly Wage	\$27.87
year-over-year % change	1.0%
Job Vacancy Rate**	2.3%

Source: Statistics Canada

* All data is from the Labour Force Survey for May except AWE, which is from the March Survey of Employment, Payrolls and Hours (SEPH), and the job vacancy rate is for February.

** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

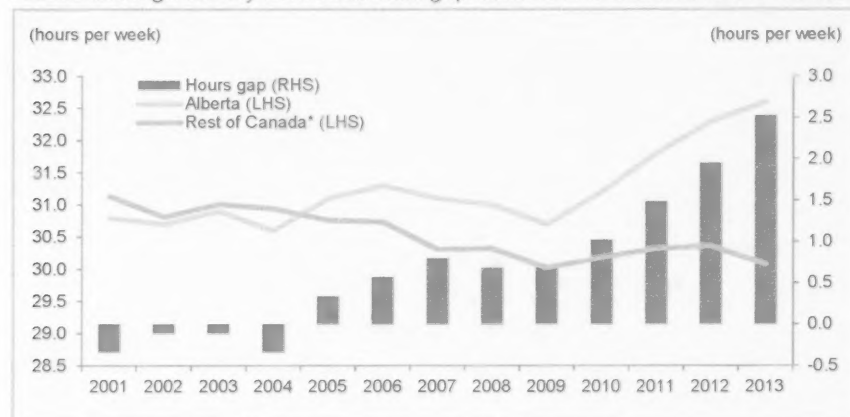
Why are Albertans working longer hours?

Albertans are, on average, working longer hours. Using industry data from the survey of Employment, Payrolls and Hours (SEPH), this Labour InSight shows that the number of hours worked in Alberta has been growing, and now Albertans tend to work more hours per week than the Canadian average across several sectors.

Hours spent working is increasing

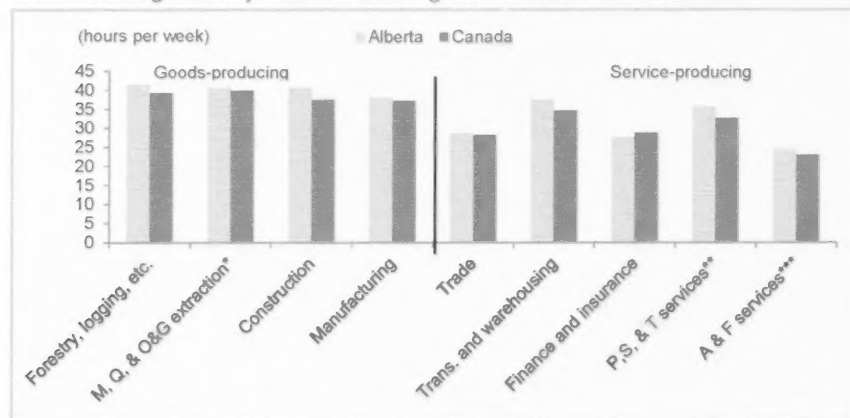
Albertans work the most hours per week of any province and the length of the work week is growing. In 2013, Albertans worked an average of 30.7 hours per week, and 32.6 hours per week with overtime. This is an average weekly hours increase of 3.7% since 2003, and 5.5% when including overtime.

Chart 1: Alberta's weekly hours diverge from the rest of Canada
Annual average weekly hours & annual gap between Alberta and rest of Canada



Source: Statistics Canada, Alberta Treasury Board and Finance
* Weighted based on employment shares

Chart 2: Alberta higher across sectors with goods sector higher overall
Annual average weekly hours of select goods and services sectors



Source: Statistics Canada
* Mining, quarrying, oil and gas extraction
** Professional, scientific and technical services
*** Accommodation and food services

Hours gap widens between Alberta and rest of Canada

The trend towards a longer work week is not shared among all provinces. In fact, only half of the provinces have increased their average weekly hours since 2003 and nationally average hours have been falling. Consequently, the gap in average weekly hours between Alberta and the rest of Canada has risen. In 2013, this gap grew to a substantial 2.5 hours, the highest on record (Chart 1).

Goods sector leads in hours

The goods-producing sector tends to show higher average weekly hours than the service sector, and Alberta is no exception to this. In 2013, the goods sector, on average, worked 9.7 hours more per week than the service sector. Average weekly hours have been increasing faster than the national average across a broad range of industries. In 2013, workers in Alberta's goods sector worked 2.4 more hours per week than the national average, while the average service sector employee worked 1.6 more hours per week. Additionally, Alberta's share of goods-producing sector employment in Canada has increased much faster than its share of service sector employment over the last decade, putting upward pressure on hours worked in Alberta.

Summary

Alberta's strong economy has increased labour demand, including the need for full-time and overtime hours. While average hours have fallen in the rest of Canada, they have continued to rise in Alberta across a number of industries, with growth in Alberta's goods-producing sector playing a particularly important role.

Contact

Erin Bartmanovich 780.427.8814